

MEMORANDUM

INLUC
Agenda Item NO. 3 (F)

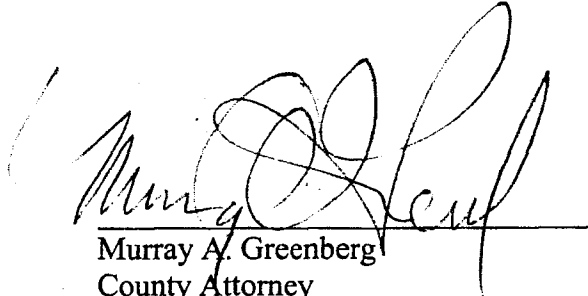
TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: June 26, 2006

FROM: Murray A. Greenberg
County Attorney

SUBJECT: Resolution creating
Administrative Order:
Workforce Housing
Program Administration

The accompanying resolution was prepared and placed on the agenda at the request of Commissioner Barbara J. Jordan.


Murray A. Greenberg
County Attorney

MAG/bw



MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: June 6, 2006

FROM: Murray A. Greenberg
County Attorney

SUBJECT: Agenda Item No.

Please note any items checked.

- ☐ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Bid waiver requiring County Manager's written recommendation
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ Housekeeping item (no policy decision required)
- ☐ No committee review

Approved _____ Mayor

Agenda Item No.

Veto _____

6-6-06

Override _____

RESOLUTION NO. _____

**RESOLUTION CREATING ADMINISTRATIVE ORDER
_____: WORKFORCE HOUSING PROGRAM
ADMINISTRATION**

WHEREAS, it is the policy of Miami-Dade County to implement the Workforce Housing Development Program Ordinance enacted by the Board of County Commissioners and to develop program guidelines and plans; and.

WHEREAS, in furtherance of that policy this Board has enacted an ordinance requiring the administration of the Workforce Housing Development Program, which shall be administered by the Miami-Dade Housing Agency, to provide for housing opportunities for eligible households; and

WHEREAS, the Office of the County Manager recommends the approval of the attached Administrative Order required to implement the provisions of that ordinance; and

WHEREAS, the Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves the creation of Administrative Order _____: Workforce Housing Program Administration.

The foregoing resolution was sponsored by Commissioner Barbara J. Jordan and offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman	
Dennis C. Moss, Vice-Chairman	
Bruno A. Barreiro	Jose "Pepe" Diaz
Audrey M. Edmonson	Carlos A. Gimenez
Sally A. Heyman	Barbara J. Jordan
Dorrian D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	


The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of June, 2006. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Terrence A. Smith

ADMINISTRATIVE ORDER

Administrative Order No.:

Title:

Ordered:

Effective:

AUTHORITY:

Section 4.02 of the Miami-Dade County Home Rule Amendment and Charter, Ordinance No. _____.

POLICY:

It is the responsibility of the County Manager to implement the Workforce Housing Development Program enacted by the Board of County Commissioners and to develop program guidelines and plans. This Administrative Order establishes the process and procedures for administering the program, including determining eligibility for participation in the Workforce Housing Development Program and the sales and rental prices for workforce housing units.

APPLICABILITY:

The provisions of this article shall apply to all covered development subject to the provisions of Chapter 33, Article XIIA of the Code of Miami-Dade County.

PURPOSE:

The County Manager, through Miami-Dade Housing Agency, will oversee the administration of the Workforce Housing Development Program as established through this administrative order. This administrative order establishes eligibility criteria, maximum sales and rental prices, and unit specifications, along with provisions for sales and re-sale price controls, enforcement and appeals.

DEFINITION:

"Area median income" means the median income level for the Miami-Dade County Metropolitan Statistical Area, as established and defined in the annual schedule published by the Secretary of the U.S. Department of Housing and Urban Development, and adjusted for household size.

"Certificate of qualification" means a certificate issued by the Department establishing a qualified household's eligibility to purchase or rent a workforce housing unit ("WHU"). Certificates of qualification shall be valid for 12 months.

"Condominium" means that form of ownership of real property created pursuant to Chapter 718 of the Florida Statutes, which is comprised entirely of units that are owned by one or more persons, and which there is, appurtenant to each unit, an undivided share in common elements.

“Condominium conversion” has the meaning established by sections 718.604 – 718.622 of the Florida Statutes.

“Control period” means each 30-year period during which the affordability restrictions imposed by this article shall apply. The control period begins at the time of any sale or resale of the affected unit by every new WHU owner.

“Covered development” means all developments required to provide WHUs or monetary contributions in lieu thereof pursuant to Chapter 33, Article XIIA of the Code of Miami-Dade County.

“Department” means, unless otherwise indicated, the Miami-Dade Housing Agency or any successor agency.

“Developer” means any person, firm, corporation, partnership, limited liability company, association, joint venture, or any entity or combination of entities that apply for development orders or permits for residential dwelling units, but does not include the state or any county, municipality, or any governmental entity.

“Director” means, unless otherwise indicated, the Director of the Miami-Dade Housing Agency, or designee.

“Eligible household” means, subject to the provisions of section 17-134 hereof, a household whose total income is between 65% and 140% of Area Median Income.

“Eligible household income” means any income derived from any proposed occupants of a WHU who are 18 years of age or older and who will use the WHU as their primary residence.

“Household” means any natural person who occupies a WHU as his or her primary residence.

“Market rate dwelling units” means all dwelling units in a covered development that are not WHUs as defined herein.

“Qualified household” means an eligible household that has received a certificate of qualification from the Department.

“Workforce housing unit rent” or “WHU rent” means rents that do not exceed the monthly Fair Market Rent as determined for Miami-Dade County by the U.S. Department of Housing and Urban Development (published annually at <http://www.huduser.org/datasets/fmr/fmrs/index.asp?data=fmr06>).

“Workforce housing unit sales price” or “WHU sales price” shall mean the sales price set by the Director pursuant to this administrative order, not to exceed an amount affordable at the maximum workforce housing target income range, as defined in Chapter 33, Article XIIA of the Code of Miami-Dade County, taking into account (a) family size; (b) an annual fixed interest rate based on a thirty (30) year mortgage term; (c) payment of up to five percent (5%) down payment by a qualified household; and (d) an estimation of annual property taxes, assessments, loan

insurance and financing fees, allowances for property maintenance and repairs, homeowners insurances, homeowner association fees, if any, and allowances for utilities.

INTRODUCTION:

The increasing demand for available housing affordable for working families and individuals resulted in the development and passage of Miami-Dade County Ordinance No. _____ (Workforce Housing Development Program Ordinance). To further the intent of the WHU ordinance, Miami-Dade County, through the Department has developed these program guidelines.

The Department's Development and Loan Administration Division (DLAD) shall implement housing program opportunities for working families and individuals with incomes ranging between 65% and 140% of Miami-Dade County's area median income. The Department shall provide orientation on the administration of the WHU Development Program to developers, other property owners, and property managers, and shall provide assistance in determining the eligibility for eligible and qualified households.

ELIGIBLE PROPERTIES:

Eligible units include single-family units, townhouses, condominiums, and apartments as approved by the Miami-Dade Department of Planning & Zoning for workforce housing. Eligible properties to be acquired for homeownership must be owner-occupied and used as the qualified household's primary residence.

The Department of Planning and Zoning shall submit notification of approved covered developments to the Department upon final approval of same. The notification shall include the number of and location of the WHUs within the covered development. The Department shall verify with the developer or other property owner the applicable sales price and rent of the WHUs. Applicable sales prices and rents shall be made available at <http://www.miamidade.gov/housing>.

INCOME RANGE OF APPLICANTS TO BE SERVED:

Each eligible household's income must meet the income limits at the time of receipt of a certificate of qualification. The following income limit table shall be applied to determine eligibility:

2006
INCOME LIMITS
Adjusted for Family Size

FAMILY SIZE	65% AMI Minimum	140% AMI Maximum
1	25,415	54,740
2	29,055	62,580
3	32,695	70,420
4	36,335	78,260
5	39,260	84,560
6	42,120	90,720
7	45,045	97,020
8	47,970	103,320

Annual updates of the eligible household requirements, including without limitation the income limits, are available online at <http://www.miamidade.gov/housing>.

OCCUPANCY REQUIREMENT:

All qualified households must use the WHU as their primary residence. WHUs sold to qualified households may not be rented and rental WHUs may not be sub-leased. WHUs that are for sale will be subject to a control period of 30-years for every new qualified household to ensure that the WHU remains affordable and available.

CERTIFICATION OF QUALIFIED HOUSEHOLDS :

A. WHU RENTALS:

Upon receipt of a developer or other property owner's written notification of the availability of a WHU for rent, the Department shall make such notice available to eligible households through its web site and shall post the listing in the Department's facilities and other designated locations throughout the County.

Prospective eligible households seeking to rent a WHU shall complete and execute the certificate of qualification as part of their unit lease application. The Department shall work with each property manager and/or property owner to determine the eligibility of each prospective eligible household based upon the income limits table described herein and found at <http://www.miamidade.gov/housing>. Upon determination of eligibility by the property manager, the property manager shall certify by executing the certificate of qualification that the eligible household is a qualified household. The Director or designee shall sign the certificate of qualification. The property manager and/or property owner of each covered development shall

retain the original certificate of qualification on site in the qualified household's file and shall forward a copy of the fully executed certificate of qualification to the Department. The property manager or property owner shall complete and execute the certificate of qualification as part of the initial WHU lease application and all subsequent WHU lease renewals.

B. WHU SALES:

Upon receipt of a developer or other property owner's written notification of the availability of a WHU for sale, the Department shall make such notice available to eligible households through its web site and shall post the listing in the Department's facilities and other designated locations throughout the County.

Prospective eligible households shall complete and execute the certificate of qualification as part of the process of purchasing the WHU, but no later than the execution of the sales contract. Each developer or other property owner will refer potential homebuyers to the Department for eligibility determination along with a copy of their sales contract. Each eligible household shall meet with staff from the Department for an eligibility review and determination. The Department shall determine the eligibility of each prospective eligible household based upon the income limits table described herein. Upon determination of eligibility, the Department shall execute the certificate of qualification that the prospective homebuyer is a qualified household. The Department shall forward a copy of the original certificate of qualification to the developer or other property owner.

The Department shall obtain from each eligible household the following documents, including but not limited to:

- Recent income tax returns
- Recent pay stubs
- Evidence of Miami-Dade County Residency or Employment
- WHU sales contract (for sales)

The Department shall determine each eligible household's eligibility within twenty-four (24) hours (excluding holidays and weekends) after consultation with the household.

Each qualified household purchasing a WHU shall be required to record a mortgage in favor of Miami-Dade County. A promissory note shall be executed by each qualified household and secured by said mortgage. Said mortgage shall set forth the same covenants along with the refinancing and resale restrictions as those included in the restrictive covenants required by this section.

In the event that no qualified household is located to purchase a particular WHU within six (6) months from the date the WHU is first offered by the developer or other property owner, the Director shall recommend to the County Manager whether the County should exercise its right of first refusal to purchase the WHU at the WHU sales price. If the County Manager concurs, the Director shall notify the developer or other property owner of the County's decision. The County Manager is authorized to purchase the WHU, without prior approval from the Miami-Dade Board of County Commissioners, from the funds earmarked in the Trust Fund, which has

been established pursuant to Section 17-132 of the Code of Miami-Dade County. The County Manager shall report each such purchase to the Board of County Commissioners at the next Board meeting following the month in which the WHU is purchased.

If any qualified household of a WHU defaults on his or her mortgage with the County and said default is not cured within the applicable time periods, then the whole debt secured by said mortgage, with all interest thereon, and all other amounts thereby secured shall, at the option of the County, become immediately due and payable. In the event any qualified household of a WHU fails to cure the default, the County shall have the right to legally enforce the term of the mortgage or collect the debt in any suit at law, including but not limited to a proceeding in foreclosure. Any proceeds, including any expenses or expenditures incurred and recovered by the County, shall be deposited in the Trust Fund.

In any suit, action or proceeding, including without limitation bankruptcy, probate or any other suit, action or proceeding affecting the WHU, any monies are recovered by the County shall be deposited into the Trust Fund.

Notwithstanding the foregoing, in the event of default by a qualified household on any senior mortgage associated with a WHU, the County Manager is authorized to pay off said senior mortgage and assume ownership of the WHU by using funds from the Trust Fund for resale to an eligible household. The defaulting qualified household shall be required to vacate the WHU. The County Manager is further authorized to purchase any WHU that is sold as a result of any suit, action or proceeding, including but not limited to foreclosure, bankruptcy, probate or any other suit, action or proceeding affecting the WHU. The County Manager shall report each such purchase to the Board of County Commissioners at the next Board meeting following the month in which the WHU is purchased.

MONITORING

The Department shall be responsible for monitoring each covered development and qualified household to ensure compliance with the WHU ordinance and this administrative order.

A. Rentals

All qualified households must be provided a lease with a minimum period of twelve (12) months. The lease must comply with all applicable federal and state laws. The lease shall include without limitation provisions that specify the maximum household size allowed in the unit; a prohibition against subleasing; and a requirement that the qualified household shall report any changes in household size or income during his or her tenancy. Qualified households shall comply with all monitoring requirements established by the Department. If a qualified household's income increases above the maximum allowed income levels, the qualified household may choose to remain in the WHU for the remaining term of the lease. However, the qualified household shall be subject to a revised WHU rent based upon their new income category.

Annually, the Department shall conduct an on-site inspection of each covered development to review client files for income verification. Should the rented WHU be found non-compliant, the manager shall make the next comparable vacant unit at the covered development available to an eligible household at the WHU rent.

B. Re-sales

Any qualified household that intends to sell his or her WHU prior to the expiration of the control period shall provide written notification to the Department. Upon receipt of said written notification, the Director shall determine the maximum WHU sales price for the WHU. The WHU shall be resold to an eligible household at no more than the pre-determined WHU sales price. Before closing a sale, the seller of the WHU shall submit to the Department for approval (which approval shall not be unreasonably withheld or delayed):

- (a) a copy of the proposed sales contract;
- (b) a signed copy of the buyer's certification of qualification (if not provided by the Department); and
- (c) an affidavit signed by the seller and the buyer attesting to the accuracy of all documents and conditions of the sale.

No resale of a WHU shall be considered to be in compliance with the Code until all required documents and affidavits have been submitted to and approved by the Department.

The Department shall either approve or disapprove all required documents and affidavits in writing no later than five (5) business days after they are submitted to the Department. The Department's failure to issue such approval or disapproval within the required time period shall result in such documents and affidavits being deemed approved. If the Department disapproves such documents or affidavits then the Director shall provide the seller, in writing, with reasons for such disapproval and an opportunity to correct any deficiencies.

In the event the qualified household does not execute a contract for purchase within six (6) months from the date the WHU is first offered for resale, the County shall have a right of first refusal to purchase the WHU. The Director shall recommend to the County Manager whether the County should exercise its right of first refusal to purchase the WHU at the WHU sales price. If the County Manager concurs, the Director shall notify the qualified household of the County's decision. The County Manager is authorized to purchase the WHU, without prior approval from the Miami-Dade Board of County Commissioners, from the funds earmarked in the Trust Fund, which has been established pursuant to Section 17-132 of the Code of Miami-Dade County. The County Manager shall report each such purchase to the Board of County Commissioners at the next Board meeting following the month in which the WHU is purchased.

Notwithstanding the provisions set forth herein, any WHU that is owned for an entire 30 year control period by the same individual(s), shall be released from the sales price restrictions under the program. Upon the expiration of the control period the County shall record in the public records of Miami-Dade County an instrument or document releasing the WHU from the restrictive covenant required by this program.

ENFORCEMENT:

The Department on behalf of Miami-Dade County shall record a mortgage to enforce the WHU program requirements and to put on notice each qualified household of the resale and refinancing restrictions of each WHU for each unit sold.

The Department and the Miami-Dade Team Metro shall be responsible for enforcement consistent with Section 17-139 and Chapter 8CC of the Code of Miami-Dade County.

George M. Burgess
County Manager